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C O N F I D E N T I A L SECTION 01 OF 03 BRASILIA 000643

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DEPARTMENT FOR WHA/BSC, EUR/WE AND PM/RSAT

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TAGS: PREL PARM BR MASS
SUBJECT: BRAZIL, S MILITARY PARTNERSHIP WITH FRANCE: TRUE
LOVE OR A MARRIAGE OF CONVENIENCE?

Classified By: Ambassador Clifford Sobel

- (C) SUMMARY. The recent meeting of Presidents Lula and Sarkozy and the visit of Defense Minister Jobim to Paris triggered a wave of Francophilia within the Brazilian foreign policy establishment, particularly with regard to the strategic partnership. Despite heavy coverage in the press of the Brasilia-Paris &strategic alliance, 8 concrete examples of potential cooperation are sparse beyond the signing of a Status of Forces Agreement (SOFA). France reportedly may assist Brazilian construction of a nuclear-powered submarine through a promised &technology transfer,8 although French diplomats here say no agreements were signed. In Mission,s view, elements of the Brazilian leadership believe they share broad interests with France, particularly France, s perceived tendency to stand up to the USG, but there is little substance at present to the ballyhooed security partnership. The Brazil-France relationship can, however, set some useful precedents as we try to improve our own political military ties with Brazil. The public and press hype for the French connection notwithstanding, the result of Jobim's trip may be more a marriage blanc than amour veritable. END SUMMARY.
- (SBU) The February 12 meeting in French Guiana between Presidents Lula and Sarkozy and the visit of Defense Minister Jobim to Paris at the end of January led to widespread enthusiastic reporting on a new &strategic alliance8 focusing on access to French technologies for Brazilian military modernization and including the signing of a SOFA between the two countries. An announcement that Brazil will buy French Scorpene submarines, possibly for use in developing an indigenous nuclear submarine, provided the only other possible result. Apart from this, potential cooperation between Brazil and France has been limited to speculative discussions of potential transfers of helicopters, aircraft and satellite systems. Folha de Sao Paulo quoted government sources as stating that the success of Jobim,s visit to Paris &sharpened the appetite8 of the U.S. and Germany to make sales, but that such interest had come too late.
- 13. (C) In meetings with Ambassador Sobel, Jobim has downplayed the relationship with France and clearly stated a desire for access to U.S. military technologies. He has, however, encountered resistance from the Ministry for External Relations (MRE). Jobim,s plan to visit Washington in January was blocked by objections that he should visit Brazil,s neighbors first. Such objections did not prevent his visiting France (technically a neighbor through French

Guiana) or Russia (in Mission,s view, not a neighbor at all); in bowing out of Jobim's trip to Washington, Long Term Planning Minister Unger told the Ambassador that visiting France and Russia carried no connotation of subservience to a greater power, which a trip to the United States will suggest, he fears, if not handled properly. That said, Jobim understands that while a partnership with France is more attractive politically, there is more to be gained by working closely with the U.S.

- 14. (C) The principal deliverable of Jobim,s visit to France, the SOFA, was in the works for two years and had stalled on Brazilian insistence that any SOFA would violate Brazilian law, a similar objection to that raised against a Brazil-U.S. SOFA. When asked why this was no longer an obstacle, Jobim,s Chief of Staff, Murilo Marques Barboza told polmil officer and DATT that the draft SOFA had been written so as to avoid such an objection. The French Embassy informed Mission that the text is based on a standard NATO SOFA. Indeed, the text posted on the Ministry,s website contains basic legal understandings that each side will follow its own laws and build in similar language to that found in the draft U.S.-Brazil Defense Cooperation Agreement.
- 15. (C) The other major result of Jobim,s trip was the announcement that Brazil will purchase French Scorpene diesel electric submarines. The MOD has encouraged the view that these vessels will further Brazilian ambitions to construct an indigenous nuclear sub even though naval experts state that there are considerable differences in design between

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conventional and nuclear vessels that would seem to preclude such a connection. The nuclear-powered submarine is one of the Brazilian military, s highest priorities (ref a), and the promise of French technology proved tempting enough for Brazil to switch its conventional sub purchases from Germany to France. The Brazilian government has not, however, disclosed what technologies it will obtain from France, and the French DCM in Brasilia told PolCouns that no agreements for weapons purchases or technology transfer were signed. yet, the Scorpene purchase is the only specific system that Brazil has stated it will purchase, and it does not represent a transfer of new technology not already present in Brazil,s German-design submarines, merely (in the words of a U.S. naval expert) a switch from the underwater equivalent of Mercedes to Peugeot. Although French diplomats here share our skepticism with regard to the likelihood of Brazil developing a nuclear capability any time soon, they see Brazil's interest as a possible opportunity for sales and for developing a stronger relationship. Nonetheless, they say that Itamaraty continues to obstruct their efforts to work with other ministries (as Itamaraty does with us) and that a suggestion of joint efforts on the border between French Guiana and Brazil was rejected. On March 11, the MOD again announced Brazil's intention to purchase submarines and helicopters from France, as well as seek help on nuclear propulsion but as yet has not officially announced Minister Jobim's March 18-22 trip to Washington.

- 16. (C) In discussions with MOD contacts, Brazil,s highest priority in making decisions about purchase of defense equipment will be technology transfer. Brazil not only seeks to improve its military capabilities but to revive its defense industries which were perceived as producing significant exports during the Cold War period. Minister Unger has citied France,s perceived greater openness to technology transfer as an advantage of a closer partnership. While French technology transfer policy officially complies with the EU Code of Conduct and is similar to U.S. policy guidelines, the perception is that the U.S. is seen as much more restrictive.
- \P 7. (C) In a recent conversation with U.S. MLO, a Brazilian Air Force officer said that he believed that Air Force

leadership would prefer that Brazil, s next generation fighter be the F-35, but that politics and a more aggressive French sales approach gave the advantage to the French Rafale, &an aircraft nobody wants.8 He cited MRE perceptions of U.S. &rigidity of rules and regulations8 as the obstacle. To articulate their view of the difficulty of U.S. technology transfer policies, Brazilians frequently cite the USG refusal to allow the sale of Brazilian-made Super Tucano aircraft to Venezuela. While this was not a technology transfer question, opponents of cooperation with the U.S. have been unchallenged when they cite it as evidence that the U.S. will oppose technology transfers to Brazil. Foreign Ministry Special Advisor Marcos Pinta Gama expressed a similar view, saying that while the U.S. and Brazilian militaries have good relations and Brazil would prefer to work with the U.S. on its force modernization, the perception in Brasilia is that French equipment, even though less capable, would be easier to acquire. Pinta Gama also cited supposed French willingness to allow Brazilian licensed production of military items as an advantage of doing business with France.

EMBASSY COMMENT. The chief value of Brazil,s <u>¶</u>8. (C) opening to France may ultimately be in the precedent it sets for international security cooperation. The Brazilian military understands that beyond sales of equipment that it views as second-rate, France does not have much to offer. Following up on Jobim,s visit to Washington presents an opportunity to make a case for stronger U.S.-Brazil engagement. The Minister and his advisors would prefer U.S. partnership for Brazil,s military modernization, but face the assumption that U.S. export controls are too restrictive. Accurate briefings on U.S. arms transfer policies, with information on the success of technology sharing with partner states can overcome Brazilian preconceptions and promote greater openness to U.S. military systems. While to some extent, Brazil wants to use French competition as leverage on U.S. policy, as noted in reftel, there is a real opportunity

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to use Brazilian defense restructuring to advance the bilateral relationship. The French relationship may also pave the way to other bilateral cooperation. Until Jobim went to Paris, Brazil had balked at discussion of a SOFA. Now, with the agreement with France under his belt, Jobim has indicated a willingness to discuss a SOFA with the U.S. as well as a General Security of Information Agreement (GSOIA). There is no reason for the USG to buy into the picture presented by the press in Brazil, which often suggests that defense cooperation with France and the U.S. is an either-or choice. While the GOB finds ties to France more politically acceptable, we can benefit from this interest, which may set precedents for U.S.-Brazilian interactions of greater substance.